



23334.001

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of:

Gerald P. Sullivan

Serial No.: 09/624,732

Art Unit: 2165

Filed: July 25, 2000

Examiner: James Zurita

For: **APPARATUS AND METHOD FOR
CREATING AND MANAGING A
FINANCIAL INSTRUMENT**

Commissioner for Patents
PO Box 1450
Alexandria, VA 22313-1450

DECLARATION UNDER 37 C.F.R. § 1.132

I, Travis L. Gering, a citizen of the United States and residing at 127 Prospect Place, South Orange, New Jersey, declare and state as follows:

1. That I am a lawyer with a practice focused on Corporate and Securities matters. I have obtained a J.D. from Rutgers University School of Law. I am admitted to the bars of New York and New Jersey. Prior to private practice, I was in-house counsel to a NASDAQ national market company and prior to that was I was associated with the law firm of Fried, Frank, Harris, Shriver and Jacobson.
2. That I am familiar with the EDGAR data base as maintained by the Securities and Exchange Commission ("SEC") and have extensively used this search engine to find financial data as would be useful in my practice.
3. That I am also familiar with and use in my practice on a regular basis the following other search engines: Findlaw; LEXIS/NEXIS; and Google.

4. That at the request of Gerald P. Sullivan, the inventor of the subject application, I conducted searches on the following search engines: SEC EDGAR, Findlaw and LEXIS/NEXIS. I have conducted a first plurality of searches, one for each of the aforementioned search engines. In each such search, I used one of a plurality of the following terms: mutual, funds, allocation, allocate, industry, and percent. I described the results of these searches in the form of a DECLARATION UNDER 37 C.F.R. § 1.132 (“the first Affidavit”), which was filed on June 10, 2003 in the U.S. Patent and Trademark Office.

5. In his Office Action of January 2, 2004, Examiner Zurita criticized the first Affidavit stating, “that applicant’s search would be greatly facilitated by not searching for each word one at a time. The Examiner respectfully suggests the use of Boolean and proximity operators, as well as data ranges in his searches for the words, alone or in combination with each other”. In particular, the Examiner suggested, that the “search terms may include words such as *mutual, funds, stock, allocation, allocate, industry, percent, etc.* One may also enter parameters such as *dates--.*”

6. That at the request of Gerald P. Sullivan, the inventor of the subject application, I have conducted a second plurality of searches using the following search engines: 1) Findlaw; 2) SEC EDGAR; 3) LEXIS/NEXIS; and 4) Google. In particular, I used one of the following search terms on each of the aforementioned search engines: A) mutual; B) stocks; C) allocation; D) allocate; E) industry; and F) percent. The results of this second set of searches are set out on the attached chart entitled, “Industry Leaders Fund – Results of Web Searches” (“the chart”).

7. That, in my opinion and based on the second set of searches using the terms A) - F), a person skilled and experienced with securities and searching database storing security

data (“the skilled person”) would be unable to access the SEC Filing or any other document describing the Leaders Industry Fund, because of the large number of hits that were outputted for each of these search terms as shown on the chart. Of those searches that yielded hits for a search term, the term “percent” yielded the least number of hits, i.e., 512 hits. In my opinion, the skilled person would need to exercise unreasonable diligence to search through such a large number of hits.

8. I am of the opinion that the skilled person would not seek guidance for constructing an investment strategy from filings made by mutual fund companies with the SEC. I note that all disclosures to the SEC with respect to mutual fund companies are generally six months out of date by the time they are filed in the SEC. Further, the disclosure of such filings typically do not include any strategic details, other than general policies, underlying investment approaches. In particular, mutual fund prospectuses are generic and vague by design. A detailed published investment strategy would restrict the portfolio manager, which is a condition that most mutual funds would not tolerate under ordinary circumstances. Therefore, all of such mutual fund filings have historically been of little use for describing the details of the process and/or system employed to operate the mutual fund. Conversely, the skilled person would conduct its research using the technical literature and/or classified patent systems of the US and other industrialized nations.

9. I note that of the tens of thousands of mutual fund prospectuses that have been filed with the SEC over the past fifteen years, the Industry Leaders Fund as described in the above identified patent application is virtually the only fund to be described in its prospectus in terms of the hypothetical past performance of this fund and/or the process for carrying out the steps for operating this mutual fund. In this particular instance, the SEC uniquely

required that the SEC Filing to describe the details of the process and/or system for operating this mutual fund in order to obtain approval to set forth the hypothetical past performance.

10. As shown on the attached chart, each search as carried out upon one of the search engines 1-4, produced a large number of hits for each of the terms A) - F), which would require the skilled person to employ unreasonable diligence to find the SEC Filing among such a large number of hits. The bottom row of the attached chart shows the results of developing an argument comprising all of the terms A) - F), and using it on each of the search engines 1-4. In particular, the argument is constructed by “anding” the terms A) - F). The search carried out on each of the Findlaw search engine, the LEXIS/NEXIS search engine and the Google search engine using the “anded” terms produced respectively 6,990 hits, more than 3,000 hits and 16,500 hits. In my opinion, the skilled person could not with only reasonable diligence find the SEC Filing in such large numbers of hits. Of particular note, as indicated by the footnote 5, the search conducted on the SEC EDGAR search engine produced no results at or prior to 1999. As noted in footnote 5, the argument employed by each of the SEC EDGAR search engine and the LEXIS/NEXIS search engine was limited to hits produced at or prior to 1999. Thus, I have carried out a search on the SEC EDGAR search engine employing an argument comprising only the “anded” terms A) - F) and limiting the hits to those produced at or prior to 1999 as suggested by the Examiner. Thus, I believe that I have clearly demonstrated that the skilled person could not with only reasonable diligence locate the SEC Filing as stored upon the EDGAR search database.

Search Results:

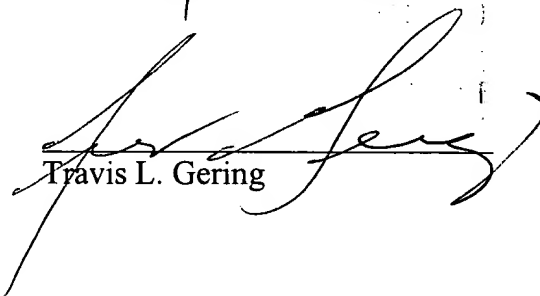
Search Term	Findlaw Search Engine (1)	SEC EDGAR Search Engine (2)	LEXIS / NEXIS Search Engine (3)	Google Search Engine
A) Mutual Funds	2,090,000 (4)	16,978 (5)	More than 3,000 unspecified results	3,960,000 (4)
B) Stocks	5,810,000	620	More than 3,000 unspecified results	13,700,000
C) Allocation	3,420,000	7,725 (5)	More than 3,000 unspecified results	8,040,000
D) Allocate	1,040,000	0 (5)	More than 3,000 unspecified results	2,450,000
E) Industry	42,300,000	3,344 (4)	More than 3,000 unspecified results	99,700,000
F) Percent	17,400,000	995 (5)	More than 3,000 unspecified results	41,000,000
Mutual Funds Stocks Allocation Allocate Industry Percent	6,990 (4)	0 (5)	More than 3,000 unspecified results (5)	16,500 (4)

- (1) Findlaw LawCrawler - Legal Web & Databases Search, all websites.
- (2) SEC EDGAR database (from 1993 through June 2004).
- (3) Proprietary online federal databases.
- (4) Search terms could not be defined for results produced at or prior to 1999.
- (5) Search terms defined for results that would have been produced at or prior to 1999.

[Certification Page Follows]

I HEREBY DECLARE THAT ALL STATEMENTS MADE HEREIN OF MY OWN KNOWLEDGE ARE TRUE AND THAT ALL STATEMENTS MADE ON INFORMATION AND BELIEF ARE BELIEVED TO BE TRUE; AND FURTHER THAT THESE STATEMENTS WERE MADE WITH THE KNOWLEDGE THAT WILLFUL FALSE STATEMENTS AND THE LIKE SO MADE ARE PUNISHABLE BY FINE OR IMPRISONMENT, OR BOTH, UNDER SECTION 1001 OF TITLE 18 OF THE UNITED STATES CODE, AND THAT SUCH WILLFUL FALSE STATEMENTS MAY JEOPARDIZE THE VALIDITY OF THE APPLICATION OR ANY PATENT ISSUED THEREON.

Executed in New York City on October 7th 2004.


Travis L. Gering